

Calendar No. 571

117TH CONGRESS
2D SESSION

S. 2773

To amend the Leahy-Smith America Invents Act to address satellite offices of the United States Patent and Trademark Office, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 21, 2021

Mr. LEAHY (for himself, Mr. TILLIS, and Ms. HIRONO) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

DECEMBER 1, 2022

Reported by Mr. DURBIN, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To amend the Leahy-Smith America Invents Act to address satellite offices of the United States Patent and Trademark Office, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*

2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Unleashing American*

5 *Innovators Act of 2021”.*

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) DIRECTOR.—The term “Director” means
4 the Under Secretary of Commerce for Intellectual
5 Property and Director of the Office.

6 (2) OFFICE.—The term “Office” means the
7 United States Patent and Trademark Office.

8 (3) PATENT PRO BONO PROGRAMS.—The term
9 “patent pro bono programs” means the programs
10 established pursuant to section 32 of the Leahy-
11 Smith America Invents Act (35 U.S.C. 2 note).

12 (4) SOUTHEAST REGION OF THE UNITED
13 STATES.—The term “southeast region of the United
14 States” means the area of the United States that is
15 comprised of the States of Virginia, North Carolina,
16 South Carolina, Georgia, Florida, Tennessee, Ala-
17 bama, Mississippi, Louisiana, and Arkansas.

18 **SEC. 3. SATELLITE OFFICES.**

19 (a) AMENDMENTS TO PURPOSE AND REQUIRED CON-
20 SIDERATIONS.—Section 23 of the Leahy-Smith America
21 Invents Act (35 U.S.C. 1 note) is amended—

22 (1) in subsection (b)—

23 (A) in paragraph (1)—

24 (i) by striking “increase outreach ac-
25 tivities to”; and

(ii) by inserting after “Office” the following: “, including by increasing outreach activities, including to individual innovators, small businesses, veterans, and any other demographic group or category of innovators that the Director may determine, after notice in the Federal Register, to be underrepresented in patent filings”, and

(B) by striking paragraph (2) and inserting the following:

12 “(2) enhance patent examiner and administra-
13 tive patent judge retention, including patent exam-
14 iners and administrative patent judges from eco-
15 nomically, geographically, and demographically di-
16 verse backgrounds;”;

(2) in subsection (e)(1)—

(B) in subparagraph (E), by striking the period at the end and inserting “; and”, and

22 (C) by adding at the end the following:

“(F) with respect to each office established after January 1, 2021, shall consider the proximity of the office to anchor institutions (such

1 as hospitals primarily serving veterans and in-
2 stitutions of higher education) and populations
3 that the Director may determine to be under-
4 represented in patent filings, including rural
5 populations.”.

6 (b) SOUTHEAST REGIONAL OFFICE.—

7 (1) IN GENERAL.—Not later than 3 years after
8 the date of enactment of this Act, the Director shall
9 establish a satellite office of the Office in the south-
10 east region of the United States.

11 (2) CONSIDERATIONS.—When establishing the
12 office required under paragraph (1), the Director
13 shall consider the following:

14 (A) The number of patent-intensive indus-
15 tries located near the selection site.

16 (B) How many research-intensive institu-
17 tions, including institutions of higher education,
18 are located near the selection site.

19 (C) The State and local government legal
20 and business frameworks that support intellec-
21 tual property-intensive industries located near
22 the selection site.

23 (c) STUDY ON ADDITIONAL SATELLITE OFFICES.—

24 Not later than 2 years after the date of enactment of this
25 Act, the Director shall complete a study to determine

1 whether additional satellite offices of the Office are nee-
2 ssary to—

3 (1) achieve the purposes described in section
4 23(b) of the Leahy-Smith America Invents Act (35
5 U.S.C. 1 note), as amended by this section; and

6 (2) increase participation in the patent system
7 by women, people of color, veterans, individual in-
8 ventors, or members of any other demographic, geo-
9 graphic, or economic group that the Director may
10 determine to be underrepresented in patent filings.

11 **SEC. 4. COMMUNITY OUTREACH OFFICES.**

12 (a) ESTABLISHMENT.—

13 (1) IN GENERAL.—Subject to paragraphs (2)
14 and (3), not later than 5 years after the date of en-
15 actment of this Act, the Director shall establish not
16 fewer than 2 community outreach offices in each re-
17 gion of the United States that, as of that date of en-
18 actment, is served by—

19 (A) a satellite office of the Office; or

20 (B) the principal office of the Office.

21 (2) RESTRICTION.—No community outreach of-
22 fice established under paragraph (1) may be located
23 in the same State as—

24 (A) the principal office of the Office; or

25 (B) any satellite office of the Office.

(3) REQUIREMENT FOR NORTHERN NEW EN-

~~LAND REGION.~~

12 (i) as of the date of enactment of this
13 Act—

(I) there is located not less than 1 public institution of higher education and not less than 1 private institution of higher education; and

1 percent of the firms are owned by women,
2 minorities, or veterans.

3 (b) PURPOSES.—The purposes of the community out-
4 reach offices established under subsection (a) are to—

5 (1) further achieve the purposes described in
6 section 23(b)(1) of the Leahy-Smith America In-
7 vents Act (35 U.S.C. † note), as amended by this
8 Act;

9 (2) partner with local community organizations,
10 institutions of higher education, research institu-
11 tions, and businesses to create community-based
12 programs that—

13 (A) provide education regarding the patent
14 system; and

15 (B) promote the career benefits of innova-
16 tion and entrepreneurship; and

17 (3) educate prospective inventors, including vet-
18 erns, individual inventors, and individuals from de-
19 mographic, geographic, or economic groups that the
20 Director may determine to be underrepresented in
21 patent filings, about all public and private resources
22 available to potential patent applicants, including the
23 patent pro bono programs.

24 (c) SUBORDINATE TO SATELLITE OFFICES.—The
25 community outreach offices established under this section

1 shall be subordinate, and report directly, to the principal
2 office of the Office or the satellite office of the Office that
3 corresponds to the region in which that community out-
4 reach office is located, as applicable.

5 **SEC. 5. UPDATES TO THE PATENT PRO BONO PROGRAM.**

6 (a) STUDY AND UPDATES.—

7 (1) IN GENERAL.—Not later than 1 year after
8 the date of enactment of this Act, the Director
9 shall—

10 (A) complete a study of the patent pro
11 bono programs; and

12 (B) submit the results of the study re-
13 quired under subparagraph (A) to the Com-
14 mittee on the Judiciary of the Senate and the
15 Committee on the Judiciary of the House of
16 Representatives.

17 (2) SCOPE OF THE STUDY.—The study required
18 under paragraph (1)(A) shall—

19 (A) assess—

20 (i) whether the patent pro bono pro-
21 grams, as in effect on the date on which
22 the study is commenced, are sufficiently
23 serving veterans, individual inventors, and
24 members of demographic, geographic, and
25 economic groups that the Director may de-

1 termine to be underrepresented in patent
2 filings;

3 (ii) whether the patent pro bono pro-
4 grams are sufficiently funded to serve pro-
5 spective participants;

6 (iii) whether the participation require-
7 ments of the patent pro bono programs, in-
8 cluding the requirement to demonstrate
9 knowledge of the patent system, serve as a
10 deterrent for prospective participants;

11 (iv) the degree to which prospective
12 inventors are aware of the patent pro bono
13 programs;

14 (v) the degree to which the length of
15 prosecution time for pro bono applicants
16 serves as a deterrent for attorneys to par-
17 ticipate in the patent pro bono programs;
18 and

19 (vi) any other issue the Director de-
20 termines appropriate; and

21 (B) make recommendations for such ad-
22 ministrative and legislative action as may be ap-
23 propriate.

24 (b) USE OF RESULTS.—Upon completion of the study
25 required under subsection (a), the Director shall work

1 with the Patent Pro Bono Advisory Council, existing re-
2 gional programs, and intellectual property law associations
3 across the United States to update the patent pro bono
4 programs in response to the findings of the study.

5 (e) EXPANSION OF INCOME ELIGIBILITY.—The Di-
6 rector shall work with and support existing (as of the date
7 of enactment of this Act) regional programs and intellec-
8 tual property law associations across the United States to
9 expand eligibility for the patent pro bono programs to an
10 individual living in a household, the gross household in-
11 come of which is not more than 400 percent of the Federal
12 poverty line.

13 SEC. 6. PRE-PROSECUTION PATENTABILITY ASSESSMENT

~~PILOT PROGRAM.~~

15 (a) PILOT PROGRAM.—Not later than 1 year after
16 the date of enactment of this Act, the Director shall estab-
17 lish a pilot program to assist first-time prospective patent
18 applicants in assessing the viability of a potential patent
19 application submitted by such a prospective applicant.

20 (b) CONSIDERATIONS.—In developing the pilot pro-
21 gram required under subsection (a), the Director shall es-
22 tablish—

(1) a notification process to notify a prospective patent applicant seeking an assessment described in that subsection that any assessment so provided may

1 not be considered an official ruling of patentability
2 from the Office;

3 (2) conditions to determine eligibility for the
4 pilot program, taking into consideration available re-
5 sources;

6 (3) reasonable limitations on the amount of
7 time to be spent providing assistance to each indi-
8 vidual first-time prospective patent applicant; and

9 (4) procedures for referring prospective patent
10 applicants to legal counsel, including through the
11 patent pro bono programs.

12 **SEC. 7. FEE REDUCTION FOR SMALL AND MICRO ENTITIES.**

13 (a) **TITLE 35.**—Section 41(h) of title 35, United
14 States Code, is amended—

15 (1) in paragraph (1), by striking “50 percent”
16 and inserting “75 percent or more, at the discretion
17 of the Director,”; and

18 (2) in paragraph (3), by striking “75 percent”
19 and inserting “90 percent or more, at the discretion
20 of the Director.”.

21 (b) **LEAHY-SMITH AMERICA INVENTS ACT.**—Section
22 10(b) of the Leahy Smith America Invents Act (35 U.S.C.
23 41 note) is amended by striking “75 percent” and insert-
24 ing “90 percent or more, at the discretion of the Direc-
25 tor.”.

1 **SECTION 1. SHORT TITLE.**

2 *This Act may be cited as the “Unleashing American
3 Innovators Act of 2022”.*

4 **SEC. 2. DEFINITIONS.**

5 *In this Act:*

6 (1) *DIRECTOR.*—The term “Director” means the
7 *Under Secretary of Commerce for Intellectual Prop-*
8 *erty and Director of the Office.*

9 (2) *OFFICE.*—The term “Office” means the
10 *United States Patent and Trademark Office.*

11 (3) *PATENT PRO BONO PROGRAMS.*—The term
12 *“patent pro bono programs” means the programs es-*
13 *tablished pursuant to section 32 of the Leahy-Smith*
14 *America Invents Act (35 U.S.C. 2 note).*

15 (4) *SOUTHEAST REGION OF THE UNITED*
16 *STATES.*—The term “southeast region of the United
17 *States” means the area of the United States that is*
18 *comprised of the States of Virginia, North Carolina,*
19 *South Carolina, Georgia, Florida, Tennessee, Ala-*
20 *bama, Mississippi, Louisiana, and Arkansas.*

21 **SEC. 3. SATELLITE OFFICES.**

22 (a) *AMENDMENTS TO PURPOSE AND REQUIRED CON-*
23 *SIDERATIONS.*—Section 23 of the Leahy-Smith America In-
24 *vents Act (35 U.S.C. 1 note) is amended—*

25 (1) *in subsection (b)—*

26 (A) *in paragraph (1)—*

1 (i) by striking “increase outreach ac-
2 tivities to”; and

3 (ii) by inserting after “Office” the fol-
4 lowing: “, including by increasing outreach
5 activities, including to individual inventors,
6 small businesses, veterans, low-income popu-
7 lations, students, rural populations, and
8 any geographic group of innovators that the
9 Director may determine to be underrep-
10 resented in patent filings”; and

11 (B) by striking paragraph (2) and inserting
12 the following:

13 “(2) enhance patent examiner and administra-
14 tive patent judge retention, including patent exam-
15 iners and administrative patent judges from economi-
16 cally, geographically, and demographically diverse
17 backgrounds;”; and

18 (2) in subsection (c)(1)—

19 (A) in subparagraph (D), by striking “and”
20 at the end;

21 (B) in subparagraph (E), by striking the
22 period at the end and inserting “; and”; and

23 (C) by adding at the end the following:

24 “(F) with respect to each office established
25 after January 1, 2023, shall consider the prox-

1 *imity of the office to anchor institutions (such as*
2 *hospitals primarily serving veterans and institu-*
3 *tions of higher education), individual inventors,*
4 *small businesses, veterans, low-income popu-*
5 *lations, students, rural populations, and any ge-*
6 *ographic group of innovators that the Director*
7 *may determine to be underrepresented in patent*
8 *filings.”.*

9 **(b) SOUTHEAST REGIONAL OFFICE.—**

10 **(1) IN GENERAL.**—*Not later than 3 years after*
11 *the date of enactment of this Act, the Director shall*
12 *establish a satellite office of the Office in the southeast*
13 *region of the United States.*

14 **(2) CONSIDERATIONS.**—*When selecting a site for*
15 *the office required under paragraph (1), the Director*
16 *shall consider the following:*

17 **(A)** *The number of patent-intensive indus-*
18 *tries located near the site.*

19 **(B)** *How many research-intensive institu-*
20 *tions, including institutions of higher education,*
21 *are located near the site.*

22 **(C)** *The State and local government legal*
23 *and business frameworks that support intellec-*
24 *tual property-intensive industries located near*
25 *the site.*

1 (c) *STUDY ON ADDITIONAL SATELLITE OFFICES.*—Not
2 later than 2 years after the date of enactment of this Act,
3 the Director shall complete a study to determine whether
4 additional satellite offices of the Office are necessary to—
5 (1) achieve the purposes described in section
6 23(b) of the Leahy-Smith America Invents Act (35
7 U.S.C. 1 note), as amended by this section; and
8 (2) increase participation in the patent system
9 by individual inventors, small businesses, veterans,
10 low-income populations, students, rural populations,
11 and any geographic group of innovators that the Di-
12 rector may determine to be underrepresented in pat-
13 ent filings.

14 **SEC. 4. COMMUNITY OUTREACH OFFICES.**

15 (a) *ESTABLISHMENT.*—
16 (1) *IN GENERAL.*—Subject to paragraphs (2) and
17 (3), not later than 5 years after the date of enactment
18 of this Act, the Director shall establish not fewer than
19 4 community outreach offices throughout the United
20 States.

21 (2) *RESTRICTION.*—No community outreach of-
22 fice established under paragraph (1) may be located
23 in the same State as—

24 (A) the principal office of the Office; or
25 (B) any satellite office of the Office.

1 (3) REQUIREMENT FOR NORTHERN NEW ENG-

2 *LAND REGION.*—3 (A) IN GENERAL.—The Director shall estab-
4 lish not less than 1 community outreach office
5 under this subsection in the northern New Eng-
6 land region, which shall serve the States of
7 Vermont, New Hampshire, and Maine.8 (B) CONSIDERATIONS.—In determining the
9 location for the office required to be established
10 under subparagraph (A), the Director shall give
11 preference to a location in which—12 (i) as of the date of enactment of this
13 Act—14 (I) there is located not less than 1
15 public institution of higher education
16 and not less than 1 private institution
17 of higher education; and18 (II) there are located not more
19 than 15 registered patent attorneys, ac-
20 cording to data from the Office of En-
21 rollment and Discipline of the Office;
22 and23 (ii) according to data from the 2012
24 Survey of Business Owners conducted by the
25 Bureau of the Census, less than 45 percent

1 *of the firms (as that term is defined for the*
2 *purposes of that Survey) are owned by*
3 *women, minorities, or veterans.*

4 *(b) PURPOSES.—The purposes of the community out-*
5 *reach offices established under subsection (a) are to—*

6 *(1) further achieve the purposes described in sec-*
7 *tion 23(b)(1) of the Leahy-Smith America Invents Act*
8 *(35 U.S.C. 1 note), as amended by this Act;*

9 *(2) partner with local community organizations,*
10 *institutions of higher education, research institutions,*
11 *and businesses to create community-based programs*
12 *that—*

13 *(A) provide education regarding the patent*
14 *system; and*

15 *(B) promote the career benefits of innova-*
16 *tion and entrepreneurship; and*

17 *(3) educate prospective inventors, including indi-*
18 *vidual inventors, small businesses, veterans, low-in-*
19 *come populations, students, rural populations, and*
20 *any geographic group of innovators that the Director*
21 *may determine to be underrepresented in patent fil-*
22 *ings, about all public and private resources available*
23 *to potential patent applicants, including the patent*
24 *pro bono programs.*

1 **SEC. 5. UPDATES TO THE PATENT PRO BONO PROGRAMS.**2 (a) *STUDY AND UPDATES.—*3 (1) *IN GENERAL.—Not later than 1 year after*
4 *the date of enactment of this Act, the Director shall—*5 (A) *complete a study of the patent pro bono*
6 *programs; and*7 (B) *submit the results of the study required*
8 *under subparagraph (A) to the Committee on the*
9 *Judiciary of the Senate and the Committee on*
10 *the Judiciary of the House of Representatives.*11 (2) *SCOPE OF THE STUDY.—The study required*
12 *under paragraph (1)(A) shall—*13 (A) *assess—*14 (i) *whether the patent pro bono pro-*
15 *grams, as in effect on the date on which the*
16 *study is commenced, are sufficiently serving*
17 *prospective and existing participants;*18 (ii) *whether the patent pro bono pro-*
19 *grams are sufficiently funded to serve pro-*
20 *spective participants;*21 (iii) *whether any participation re-*
22 *quirement of the patent pro bono programs,*
23 *including any requirement to demonstrate*
24 *knowledge of the patent system, serves as a*
25 *deterrent for prospective participants;*

1 (iv) the degree to which prospective in-
2 ventors are aware of the patent pro bono
3 programs;

4 (v) what factors, if any, deter attorneys
5 from participating in the patent pro bono
6 programs;

7 (vi) whether the patent pro bono pro-
8 grams would be improved by expanding
9 those programs to include non-attorney ad-
10 vocates; and

11 (vii) any other issue the Director deter-
12 mines appropriate; and

13 (B) make recommendations for such admin-
14 istrative and legislative action as may be appro-
15 priate.

16 (b) USE OF RESULTS.—Upon completion of the study
17 required under subsection (a), the Director shall work with
18 the Pro Bono Advisory Council, the operators of the patent
19 pro bono programs, and intellectual property law associa-
20 tions across the United States to update the patent pro bono
21 programs in response to the findings of the study.

22 (c) EXPANSION OF INCOME ELIGIBILITY.—

23 (1) IN GENERAL.—The Director shall work with
24 and support, including by providing financial sup-
25 port to, existing patent pro bono programs and intel-

1 *lectual property law associations across the United
2 States to expand eligibility for the patent pro bono
3 programs to an individual living in a household, the
4 gross household income of which is not more than 400
5 percent of the Federal poverty line.*

6 (2) *RULE OF CONSTRUCTION.—Nothing in para-*
7 *graph (1) may be construed to prevent a patent pro*
8 *bono program from electing to establish a higher eligi-*
9 *bility level, as compared to the level described in that*
10 *paragraph.*

11 **SEC. 6. PRE-PROSECUTION ASSESSMENT PILOT PROGRAM.**

12 (a) *PILOT PROGRAM.—Not later than 1 year after the*
13 *date of enactment of this Act, the Director shall establish*
14 *a pilot program to assist first-time prospective patent ap-*
15 *plicants in assessing the strengths and weaknesses of a po-*
16 *tential patent application submitted by such a prospective*
17 *applicant.*

18 (b) *CONSIDERATIONS.—In developing the pilot pro-*
19 *gram required under subsection (a), the Director shall es-*
20 *tablish—*

21 (1) *a notification process to notify a prospective*
22 *patent applicant seeking an assessment described in*
23 *that subsection that any assessment so provided may*
24 *not be considered an official ruling of patentability*
25 *from the Office;*

1 (2) conditions to determine eligibility for the
2 pilot program, taking into consideration available re-
3 sources;

4 (3) reasonable limitations on the amount of time
5 to be spent providing assistance to each individual
6 first-time prospective patent applicant;

7 (4) procedures for referring prospective patent
8 applicants to legal counsel, including through the pat-
9 ent pro bono programs; and

10 (5) procedures to protect the confidentiality of
11 the information disclosed by prospective patent appli-
12 cants.

13 **SEC. 7. FEE REDUCTION FOR SMALL AND MICRO ENTITIES.**

14 (a) *TITLE 35.—Section 41(h) of title 35, United States
15 Code, is amended—*

16 (1) in paragraph (1), by striking “50 percent”
17 and inserting “60 percent”; and

18 (2) in paragraph (3), by striking “75 percent”
19 and inserting “80 percent”.

20 (b) *FALSE CERTIFICATIONS.—Title 35, United States
21 Code, is amended—*

22 (1) in section 41, by adding at the end the fol-
23 lowing:

24 “(j) *PENALTY FOR FALSE ASSERTIONS.—In addition
25 to any other penalty available under law, an entity that*

1 *is found to have falsely asserted entitlement to a fee reduc-*
2 *tion under this section shall be subject to a fine, to be deter-*
3 *mined by the Director, the amount of which shall be not*
4 *less than 3 times the amount that the entity failed to pay*
5 *as a result of the false assertion, whether the Director dis-*
6 *covers the false assertion before or after the date on which*
7 *a patent has been issued.”; and*

8 (2) *in section 123, by adding at the end the fol-*
9 *lowing:*

10 “(f) **PENALTY FOR FALSE CERTIFICATIONS.**—*In addi-*
11 *tion to any other penalty available under law, an entity*
12 *that is found to have falsely made a certification under this*
13 *section shall be subject to a fine, to be determined by the*
14 *Director, the amount of which shall be not less than 3 times*
15 *the amount that the entity failed to pay as a result of the*
16 *false certification, whether the Director discovers the false*
17 *certification before or after the date on which a patent has*
18 *been issued.”.*

19 (c) **LEAHY-SMITH AMERICA INVENTS ACT.**—*Section*
20 *10(b) of the Leahy Smith America Invents Act (35 U.S.C.*
21 *41 note) is amended—*

22 (1) *by striking “50 percent” and inserting “60*
23 *percent”; and*

24 (2) *by striking “75 percent” and inserting “80*
25 *percent”.*

1 (d) STUDY ON FEES.—

2 (1) IN GENERAL.—Not later than 2 years after
3 the date of enactment of this Act, the Director shall—4 (A) complete a study of the fees charged by
5 the Office; and6 (B) submit the results of the study required
7 under subparagraph (A) to the Committee on the
8 Judiciary of the Senate and the Committee on
9 the Judiciary of the House of Representatives.10 (2) SCOPE OF STUDY.—The study required under
11 paragraph (1)(A) shall—

12 (A) assess whether—

13 (i) fees for small and micro entities are
14 inhibiting the filing of patent applications
15 by those entities;16 (ii) fees for examination should ap-
17 proximately match the costs of examination
18 and what incentives are created by using
19 maintenance fees to cover the costs of exam-
20 ination; and21 (iii) the results of the assessments per-
22 formed under clauses (i) and (ii) counsel in
23 favor of changes to the fee structure of the
24 Office, such as—

Calendar No. 571

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2D SESSION **S. 2773**

A BILL

To amend the Leahy-Smith America Invents Act to address satellite offices of the United States Patent and Trademark Office, and for other purposes.

DECEMBER 1, 2022

Reported with an amendment